



KY Natural Resources and Environmental Protection Cabinet

Search KY: [Search Options...](#)[NREPC: Return to Land, Air & Water Home Page](#)[Return to NREPC Home Page](#)

Tobacco funds protecting our land, air and water

**Land
Air & Water** magazine

Fall 2002
Vol. 13, No. 4

by Curtis Kirk, Division of Conservation

Kentucky's conservation districts are working side by side with county agriculture development councils and farmers to administer programs and projects designed to help tobacco producers diversify and lessen their dependency on tobacco.

Few states depend on tobacco more than Kentucky, and few states have as many small family farms. So, when the legislature and the governor agreed to allocate 50 percent of Kentucky's Master Settlement Agreement (MSA) funds for agriculture, it was one of the greatest opportunities in the history of agriculture in Kentucky.

The MSA was an agreement reached between major domestic cigarette manufacturers and 46 states in lieu of states suing the tobacco companies for the cost of treating smoking-related illnesses. The agreement resulted in a \$246 billion settlement over a 25-year period. Kentucky's share of these funds (commonly referred to as Phase I of the National Tobacco Settlement) totals \$3.45 billion. Twenty-five percent of the funds were committed to early childhood development programs, 25 percent to health care initiatives and 50 percent to agriculture for fiscal years 2000-2001 and 2001-2002. Kentucky agriculture was awarded a \$180 million opportunity to help tobacco farmers and tobacco-dependent communities transition to other crops and enterprises.

The Kentucky Agriculture Development Board and county agriculture development councils in all 120 counties were directed by the 2000 General Assembly to develop comprehensive plans for agriculture. These plans serve as the basis for the guidelines and criteria for eligibility and disbursement of all funds and include strong environmental components.

The Kentucky Long-Term Plan for Agricultural Development seeks to adhere to three principles of sustainable development. One of these principles focuses on minimizing the burdens on natural resources and rewarding good land stewards with decent livings while enhancing Kentucky's environment. Kentucky Agricultural Development Fund CEO John-Mark Hack said, "This



Barren County farmer James Martin uses best management practices to improve feed quality, prevent erosion and minimize animal waste nutrients, sediments and other pollutants from entering water supplies.

Photo by Doug Hatchett, Natural Resource Conservation Service

[Click on photo to see it enlarged.](#)

Farmland preservation programs are also getting the boost they needed thanks to Phase I funds. These funds are being used to issue a \$25 million bond sale for the purchase of development rights and the purchase of agriculture conservation easements (PACE), which will ensure that prime farmland will continue to remain in agriculture and not be converted to other uses.

Conservation districts are assuming lead roles at the county level to develop and administer agricultural development projects and local model programs that help the farmer diversify and protect the environment. Currently, conservation districts are administering model programs in 67 counties totaling \$9,132,333 that address needs in specific areas and have far-reaching benefits, sometimes beyond the scope of their design.

The forage improvement program is designed to improve pastures, maintain vegetative covers and riparian areas that prevent erosion, and minimize animal waste nutrients, sediment and other pollutants from entering water supplies. Conservation districts are administering these programs in 53 of the 92 counties participating totaling \$12,948,449.

The fallen animal program addresses the problem of dead animal disposal and assists counties with the increasing costs of proper disposal. This is vital and addresses aesthetics, odors, health risks and possible water pollution.

The Shared Equipment Program provides conservation and

administration and the Agricultural Development Board is committed to the principle that farmers should be compensated for the public services they provide. These services include keeping our water clean and our soil healthy, and they include maintaining our rural landscape with working farms." This same sentiment is repeated in many of the county comprehensive plans that place a high priority on protecting our natural resources.

The General Assembly went even further by establishing and allocating direct MSA funding of an Environmental Stewardship Program. The Natural Resources and Environmental Protection Cabinet's Division of Conservation received \$18 million to provide direct cost-share assistance to agricultural producers seeking to come into compliance with state agricultural water quality laws and other environmental compliance programs. These funds are being allocated through the Kentucky Soil Erosion and Water Quality Cost Share Program. For more information on Kentucky's cost-share program and the tobacco settlement funds visit the fall 2000 issue of *Land, Air & Water* at <http://www.kyenvironment.org/images/lawfall00.pdf>.

other specialized equipment at the local level to help make it affordable for farmers to install best management and other conservation practices.

The Phase I funds will continue to have far-reaching impacts on our farmers, communities, food supply, natural resources and future generations. At a recent field day, three generations of farmers were on hand to demonstrate some of the benefits that the Phase I programs had created on their farm. They were optimistic about diversifying and easing their dependency on tobacco. More importantly they seemed optimistic about passing the farm onto the third generation.

Full details: link to Governor's Office of Agricultural Policy www.kyagpolicy.com

Contact Information:

Natural Resources and Environmental Protection Cabinet
433 Capital Plaza Tower
Frankfort, KY 40601
(502) 564-5525
Editor: cynthia.schafer@mail.state.ky.us



[Return to NREPC Home](#)

[About this Site](#) | [Privacy](#) | [Disclaimer](#) |
[Individuals with Disabilities](#) |
Feedback: julie.smither@mail.state.ky.us |

Copyright © 2002 Commonwealth of Kentucky.
All rights reserved.
Updated: Oct. 8, 2002

